STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION ---Form C-103 . P. O. BOX 2088 RECEIVED DISTRIBUTION Revised 10-1-78 SANTA FE SANTA FE, NEW MEXICO 87501 FILE Sa, Indicate Type of Lease U.S.G.S MAY 16'88 State X LAND OFFICE 5. State Oil & Gas Lean No. OPERATOR L-2919n C. D. ARTESIA, OFFICE SUNDRY NOTICES AND REPORTS ON WELLS FORM FOR PROPOSALS TO BRILL ON TO DEEPEN OR PLUE BACK TO A DIF 7, Unit Agreement Name 8. Farm or Lease Hume Name of Operator SRC KZ State Yates Petroleum Corporation \ 9. Well No. . Address of Operaior 105 South 4th St., Artesia, NM 88210 10. Field and Pool, or Wildcat I. Location of Well Penasco Draw-Morrow North LINE AND 1980 660 19S west 15. Elevation (Show whether DF, RT, CR, etc.) 12, County Eddy 3684' GR Check Appropriate Box To Indicate Nature of Notice, Report or Other Data SUBSEQUENT REPORT OF: NOTICE OF INTENTION TO: ALTERING CASING ORM REMEDIAL WORK CASING TEST AND CEMENT JOB TA Canyon zone to produce Morrow 17. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103. 5-4-88. Pulled packer from 7429' and RBP from 7512'. Pulled RBP from 8700'. WIH w/Guiberson tool with sliding sleeve open, set. Latched onto packer at 8745'. Set packer at 7429'. Swabbed in Canyon perforations 7468-7493'. Closed sliding sleeve at 8712'. Cleaned up existing Morrow perforations 8788-8791'. Swabbed Morrow. Morrow perforations 8788-8791' cleaned up flowing 70 psi on 1/2" choke=438 mcfpd. Well shut-in waiting on pipeline connection.

is. I hereby certify that the information above is true and complete to the best of my knowledge and belief.

Production Supervisor

Out 5-12-88

APPROVED BY MAY 1 8 1988